Sherry FitzGerald

Phone: +353 (0) 1 237 6300
E-mail: research@sherryfitz.ie
Web : www.sherryfitz.ie

AGRICULTURAL LAND MARKET REVIEW Q3 2025

OVERVIEW

Agricultural land values grew by a robust 9.2% year on year in Q3 2025, bringing the weighted average value for all farmland to €13,045 per acre. Marginal grassland saw the strongest annual growth at 12.7%, while prime grassland grew by 8.9%. Average prices for arable land grew by 6.9% over the 12-month period.

Prime arable land was the most expensive farmland with a weighted average price of €15,504 per acre. Prime grassland commanded the second highest price per acre at €14,685 while marginal grassland recorded the lowest price per acre at €8,916.

The Border region recorded the strongest annual growth in land values at 15.4%. The Mid-East continued to see the highest average land values at €16,438 per acre, while the lowest average values were in the West at €9,100 per acre.

Key factors underpinning the strength of land values in the year to date include limited supply of land and strong demand reflecting strong growth in output prices and improved farmers income levels as well as lower borrowing costs.

AGRICULTURAL LAND MARKET REVIEW Q3 2025

CONTENTS

ECONOMIC OVERVIEW

The Irish economy remained resilient in Q2 2025 with Modified Domestic Demand (MDD), a reliable indicator of underlying activity in the Irish economy, expanding by 0.6%.

This reflected a 1% increase in consumer spending while government spending grew by 2.5%. Modified investment expenditure contracted by 2.1% during the three-month period. On an annual basis MDD grew by 4.4%.

In Gross Domestic Product (GDP) terms output grew by 0.2% during the quarter and by 17.1% compared to the same period in 2024. A sectoral breakdown reveals that the internationally facing sectors of the economy recorded annual growth of 34.5% in Q2 2025. This was largely attributable to a 40% increase in the Industrial sector, while the Information and Technology sector expanded by 17.3%. Domestic based sectors of the economy saw annual growth of 1.2% with the largest increase in the Construction sector (+20.8%). A number of domestic facing sectors contracted when compared to Q2 2024 including Professional, Administration & Support Services (-7.4%) and Arts & Entertainment (-1.7%). The largest annual decline was in the Agricultural, Foresty & Fishing sector at -8.4%.

The 2024 National Farm Survey by Teagasc reveals that family farm incomes increased across all farm types in 2024. Dairy farms continued to see the highest average family income at €108,672, more than double the previous year reflecting higher milk prices and stable output. Tillage farms saw the second highest average income at €41,471 in 2024, also more than double the previous year. The improvement was due to reduced production costs and improved weather in the second half of the year which contributed to increased output for spring crops. Despite these significant increases however, average farm incomes remain considerably lower than 2022 levels.

Latest figures from the Central Statistics Office (CSO) reveal that growth in agricultural output prices continues to outpace that of input prices. Output prices grew by an annual rate of 7.8% in September, while growth in input prices was lower at 2.9%. The strength of growth in output prices was driven primarily by cattle prices which were 47.3% higher than a year earlier. Sheep and poultry were up 6.4% and 5.0% respectively. In contrast, pig prices were down 11.9% year on year bringing the overall increase for animal prices to 32.4% year on year. Animal products declined by 11.2% in the 12 months to September 2025 primarily due to an 11.6% fall in milk prices. In contrast wool prices were a significant 31.9% greater than in September 2024, while egg prices were up 4.2%. Crop prices also fell during the 12-month period, at an annual rate of -11.2%, largely due to a 27.9% reduction in potato (including seeds) prices, while cereals were down 8.7%.

A breakdown of input prices reveals that fertiliser prices were 14.8% ahead of September 2024, making the largest contribution to the rise in input prices, while veterinary expenses increased by an annual rate of 4.7%. Seeds declined by 1.9% over the 12-month period.

Key lending rates in the Euro Area have remained at 2.15% since June 2025, following eight rate cuts by the European Central Bank that commenced in June 2024. The main refinancing rate is now at the lowest level since November 2022. Inflation in the Euro Area has remained stable for most of 2025, hovering around the 2% medium term target rate. In October, the rate stood at 2.1%. Given this stability, it is widely expected that interest rates will remain at their current level for the remainder of 2025 and into 2026.

AGRICULTURAL LAND MARKET REVIEW Q3 2025

MARKET COMMENTARY

Philip Guckian,
Sales Director, Sherry FitzGerald
Country Homes, Farms & Estates

Commenting on the market, Philip Guckian, Sales Director, Country Homes, Farms & Estates said:

"Agricultural land values have surged on the back of strong demand, limited supply, and favourable borrowing conditions, with rising output prices boosting farm incomes despite mixed commodity trends. Beef remains exceptionally strong due to tight global supply, while milk faces short-term pressure but holds long-term potential. The proposed Mercosur deal and uncertainty around Ireland's nitrates derogation present real risks for farmers, although new EU safeguards and shifting global trade dynamics offer some balance. Overall, the sector is performing well but is heading into a year shaped by both strong price supports and significant policy challenges."

AGRICULTURAL LAND MARKET REVIEW Q3 2025

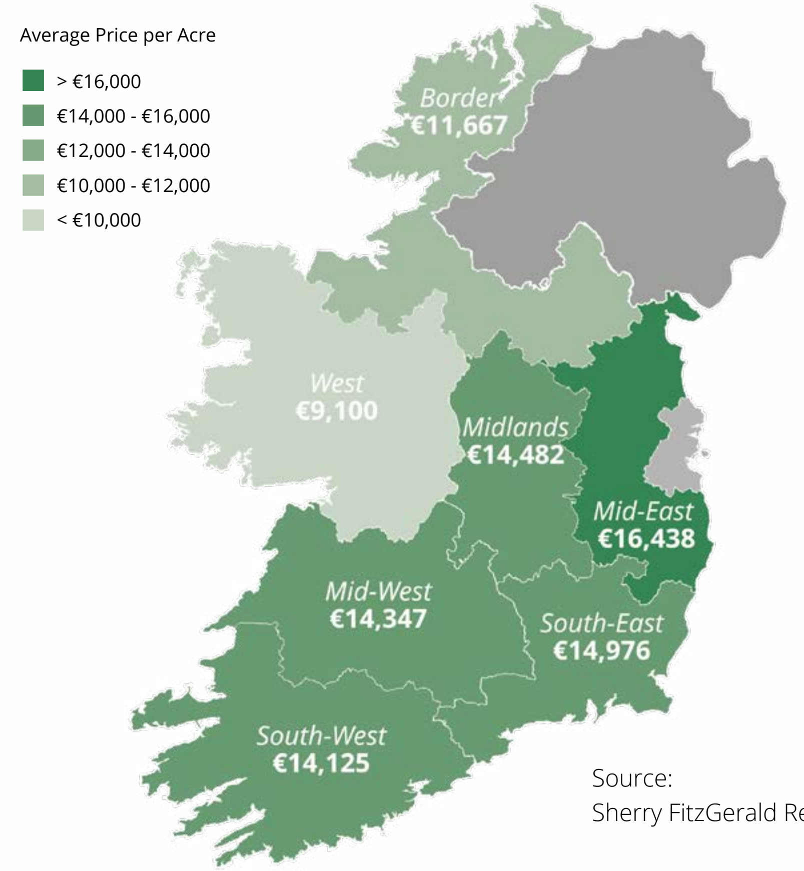
ALL FARMLAND

The weighted average value of all farmland at the end of Q3 2025 stood at €13,035 per acre according to the Sherry FitzGerald Agricultural Land Barometer. This was a significant 9.2% ahead of the same period in 2024.

Grassland saw the largest increases during the period. In particular, the weighted average value of marginal grassland rose by an annual rate of 12.7% in Q3 2025, to reach €8,916 per acre. Prime grassland was more expensive at a weighted average of €14,685 per acre. This followed year on year growth of 8.9%. The weighted average price of prime arable land stood at €15,504 per acre at the end of Q3 2025, approximately 6.9% greater than a year earlier.

A regional analysis reveals considerable disparity in the spread of average farmland prices. The Mid-East region continued to command the highest average price per acre at €16,438. This is in contrast to the West, which recorded the lowest value at €9,100 per acre. Although the Border had the second lowest average land value at €11,667 per acre, this region also recorded the strongest annual growth of 15.4%. The South-West region witnessed the smallest year on year growth rate at 2.8%, bringing the average price per acre to €14,125.

Figure 1: Average Price Per Acre, All Farmland, Q3 2025



Source:
Sherry FitzGerald Research

AGRICULTURAL LAND MARKET REVIEW Q3 2025

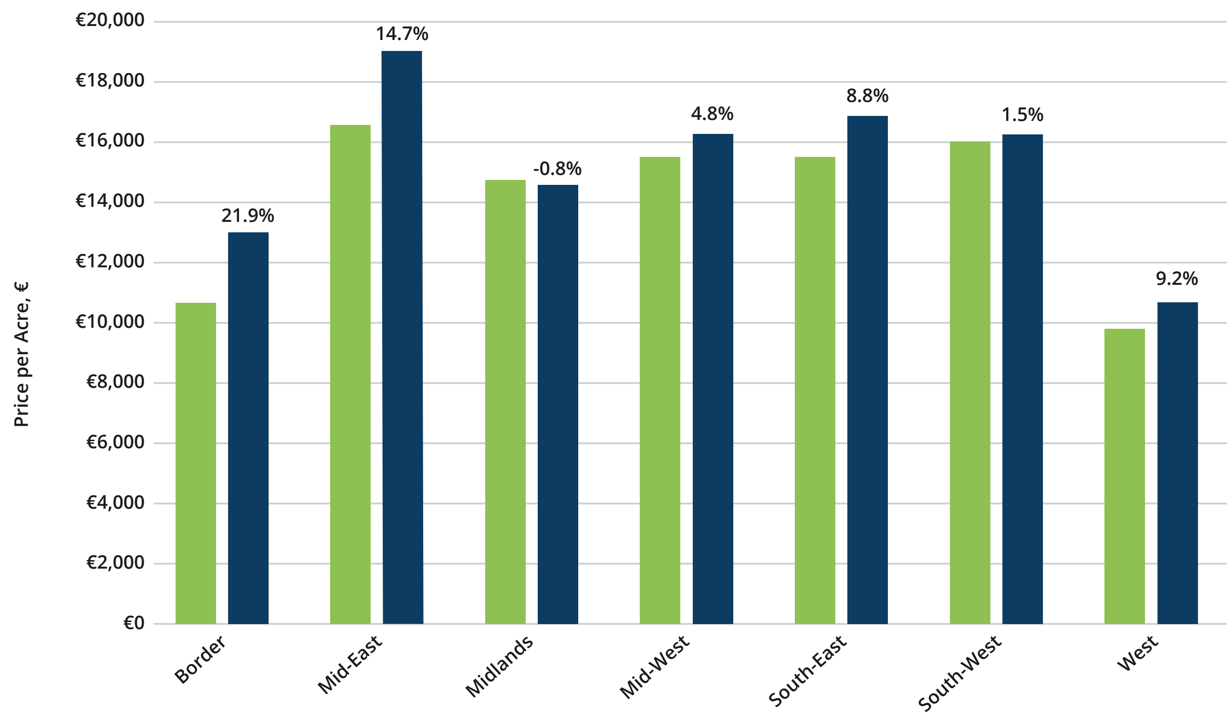
PRIME GRASSLAND

Average values of prime grassland grew by an annual rate of 8.9% in Q3 2025 to reach €14,685 per acre. This follows growth of 2.6% during the quarter. There were significant variances across regions.

Notably the Border region saw substantial annual growth of 21.9% in Q3 bringing the average price per acre to €13,000, the second lowest in the State. The West region recorded the lowest average price per acre at €10,700, representing an increase of 9.2% from Q3 2024.

Prime grassland prices in the Mid-East region were substantially ahead of all other regions averaging €19,000 per acre. This region also saw significant growth in average values during the year at 14.7%. In contrast, average values in the Midlands region remained relatively unchanged during the year at €14,625 per acre, while those in the South-West increased by 1.5% to reach €16,250 per acre.

Figure 2: Prime Grassland Average Price Per Acre by Region



Source: Sherry FitzGerald Research

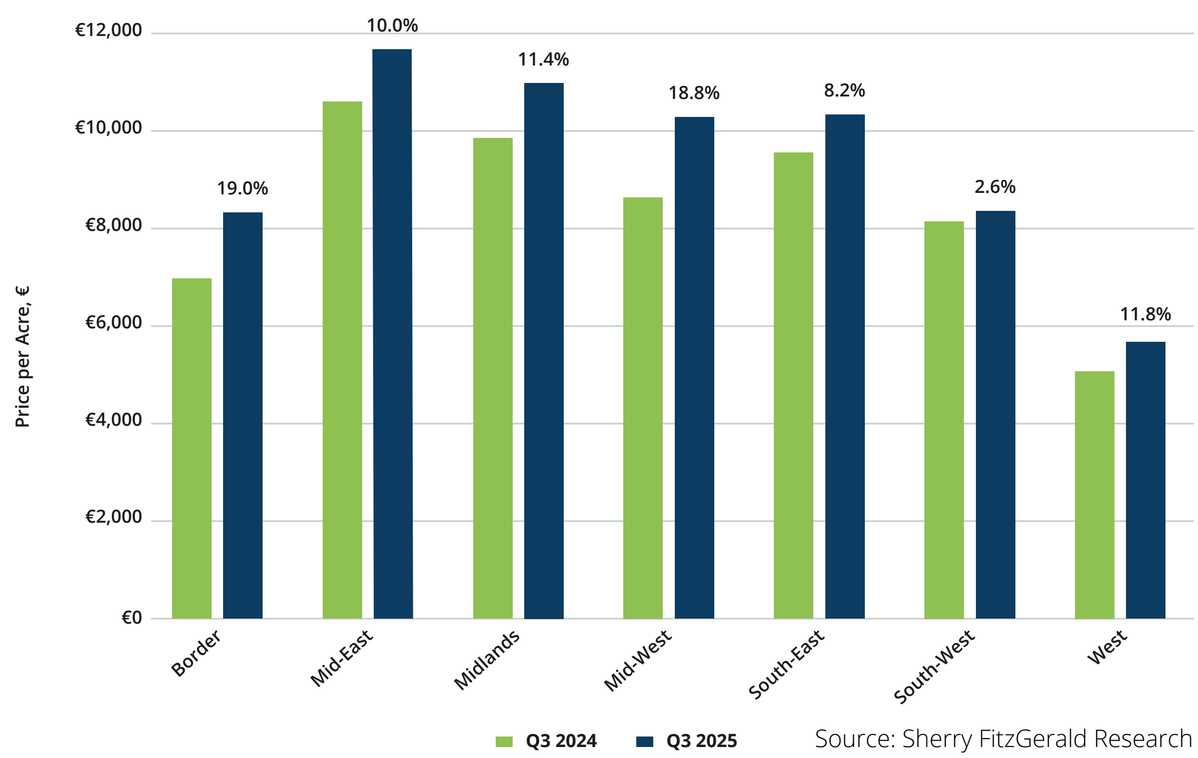
MARGINAL GRASSLAND

Although achieving the lowest land values, marginal grassland witnessed the strongest price growth in the twelve months to Q3 2025 at 12.7%.

This followed growth of 3.8% during the quarter, bringing the weighted average value to €8,916 per acre. Price growth in the Border region was particularly strong at an annual rate of 19% bringing average values in this region to €8,333 per acre. This was closely followed by the Mid-West region which recorded substantial growth of 18.8% over the twelve-month period to reach €10,292 per acre.

The South-West region experienced the lowest annual price growth of 2.6%, bringing the average value per acre in this region to €8,375. The lowest average value of marginal grassland was seen in the West region at €5,700 per acre. This is approximately half the price achieved in the Mid-East region at €11,688 per acre, highlighting the disparity across country.

Figure 3: Marginal Grassland Average Price Per Acre by Region



Source: Sherry FitzGerald Research

AGRICULTURAL LAND MARKET REVIEW Q3 2025

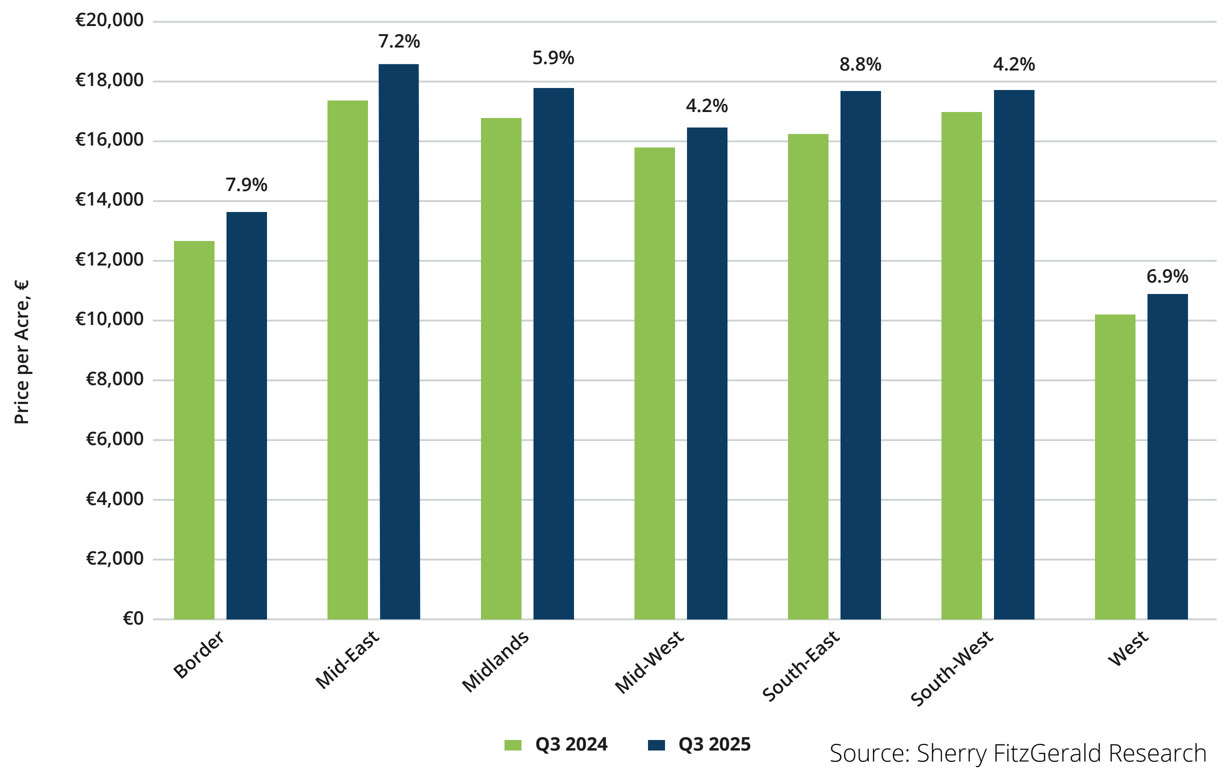
PRIME ARABLE LAND

The most expensive land overall was prime arable land which had a weighted average value of €15,504 in Q3 2025. This was 6.9% higher than a year earlier.

Interestingly, across the majority of regions there was very little divergence between the value of prime grassland and prime arable land. Notably, in the Mid-East region prime grassland was slightly more expensive at €19,000 per acre compared to the €18,625 per acre being achieved for prime arable land. This region saw values of prime arable land increase by 7.2% compared to Q3 2024. The gap between values for prime grassland and prime arable land was most distinctive in the Midlands region, with prime arable land achieving €17,820 per acre compared to €14,625 per acre for prime grassland.

The South-East region witnessed the strongest annual growth in prime arable land prices at 8.8%, bringing the average value to €17,714 per acre. The Mid-West and South-West regions recorded the lowest annual growth at 4.2% bringing average values to €16,500 and €17,750 per acre respectively. The West region continued to see the lowest average value at €10,900 per acre, although growth remained robust at an annual rate of 6.9%.

Figure 4: Prime Arable Land Average Price Per Acre by Region



Source: Sherry FitzGerald Research

AGRICULTURAL LAND MARKET REVIEW Q3 2025

OUTLOOK

Strong demand for agricultural land, low borrowing rates and limited supply in many regions has led to robust growth in average land values over the past twelve months.

This was supported by strong growth in output prices relative to input prices, positively impacting farming income levels. The CSO predict that output prices will increase by 15% overall in 2025 compared to the previous year, driven by particularly strong growth of 41% in cattle prices. Both milk and sheep prices are expected to rise by an annual rate of 5%. These increases will be counteracted somewhat by declines in potato prices (-15%), cereal prices (-3%) and pig prices (-3%). Input prices for 2025 are projected to rise at a much lower pace of 1%, with the strongest increases in fertiliser prices (+8.5%) and veterinary prices (+4.7%). The stronger pace of growth in output prices should continue to positively impact farming incomes in the year ahead, although the deterioration in milk and crop prices are a concern, particularly given the large share of output contributed by milk production. Notably, in 2024, dairy accounted for a third of agricultural output at basic prices according to data from the CSO, while cattle accounted for a further 25%.

Notably, the robust growth in beef prices is being driven by strong consumer demand and declining beef livestock numbers in the EU, US and UK. In Ireland numbers of cattle aged two and over declined by 8.7% in the year to June 2025 according to figures from the CSO. The outlook for milk prices in the short term is less positive, with supply levels in Europe set to remain strong, while US output and exports to Europe are set to increase, putting downward pressure on prices. That said, looking further ahead, demand for dairy protein is expected to continue to strengthen in the long term.

The Mercosur trade deal is expected to be approved by the European Council of Ministers in December. While the trade agreement with Brazil, Argentina, Paraguay and Uruguay is likely to be positive for some industries, the agricultural sector may be negatively impacted. This deal will allow an annual quota of 99,000 tonnes of beef to be imported to the EU at a reduced tariff rate, while the quota for poultry will be set at 180,000 tonnes. While the quotas will be phased in over a five-year period, there are strong concerns that lower standards in these countries will enable them to compete unfairly with EU farmers that have to meet more stringent standards. Key concerns include use of pesticides and antibiotics, animal welfare standards, labour rights and rainforest deforestation for livestock.

The EU Council recently approved safeguard regulations to protect farmers from being adversely impacted by imports from Mercosur countries. These measures include speeding up the investigation process and temporarily suspending preferential tariff rates. Grounds for launching the investigation process include a 10% increase in preferential import products, a 10% price undercut or 10% drop in import prices. However, it has been argued that by the time the regulatory rules are implemented, it would be too late.

On a positive note, the recent reversal of some food tariffs by the Trump administration aimed at reducing higher food prices in the US, is likely to restore exports from Brazil to the US, resulting in less competition for Irish farmers in European markets.

The future of the nitrate derogation is another factor concerning Irish farmers. A decision has yet to be made on whether the derogation would be extended beyond 2025. A reduction in the nitrates allowance could result in reduced dairy cattle numbers and lower dairy output, with implications for farmers' incomes.

Sherry FitzGerald Countrywide Network

For more information on agricultural land in your area, please contact your local agent or visit sherryfitz.ie

Contact Details

Philip Guckian

Sales Director,
Sherry FitzGerald Country
Homes, Farms and Estates

+353 (0) 1 237 6308
philip.guckian@sherryfitz.ie

Jean Behan

Senior Economist
Head of Research,
Sherry FitzGerald Advisory

+353 (0) 1 237 6300
jean.behan@sherryfitz.ie

Jane Dunne-Terry

Economist,
Sherry FitzGerald Advisory

+353 (0) 1 205 1231
jane.dunneterry@sherryfitz.ie